



**TIONG NAM LOGISTICS HOLDINGS BERHAD**

Company No. 198901005177 (182485V)

**(Incorporated in Malaysia)**

**INTERIM FINANCIAL REPORT**

**31 MARCH 2023**



# TIONG NAM LOGISTICS HOLDINGS BERHAD

Company No. 198901005177 (182485V)

(Incorporated in Malaysia)

## CONDENSED CONSOLIDATED INCOME STATEMENT FOR THE PERIOD ENDED 31 MARCH 2023 – UNAUDITED

	INDIVIDUAL 3 MONTHS ENDED 31 MARCH			CUMULATIVE 12 MONTHS ENDED 31 MARCH		
	2023 RM '000	2022 RM '000	CHANGES	2023 RM '000	2022 RM '000	CHANGES
Revenue	184,943	176,806	4.60%	727,332	689,825	5.44%
Direct operation expenses	(147,388)	(141,507)	4.16%	(557,254)	(515,038)	8.20%
Depreciation and amortization	(16,937)	(15,559)	8.86%	(63,861)	(64,439)	-0.90%
Finance cost	(12,950)	(7,171)	80.60%	(45,466)	(39,046)	16.44%
Net of other (overhead expenses)/income	18,979	3,325	470.79%	(21,575)	(44,791)	-51.83%
Operating profit	30,976	15,894	94.89%	43,505	26,511	64.10%
Share of profit / (loss) after tax in jointly controlled entity	(2)	-	-	(2)	-	-
Share of profit / (loss) after tax in associates	(2,178)	(8,699)	-74.96%	(5,057)	(9,743)	-48.10%
Profit before tax	28,796	7,195	300.22%	38,446	16,768	129.28%
Tax expenses	(1,437)	(4,799)	-70.06%	(8,265)	(10,477)	-21.12%
Net profit for the period	27,359	2,396	1,041.85%	30,181	6,291	379.74%
Attributable to:						
Equity holders of the Company	27,097	2,341	1,057.49%	29,327	5,203	463.65%
Non-controlling Interest	262	55	376.36%	854	1,088	-21.51%
Net profit for the period	27,359	2,396	1,041.85%	30,181	6,291	379.74%
Basic earnings per ordinary shares (sen)	5.27	0.45	1,071.39%	5.71	1.01	464.86%
Diluted earnings per ordinary shares (sen)	5.27	0.45	1,071.39%	5.71	1.01	464.86%

*The Condensed Consolidated Income Statement should be read in conjunction with the Audited Financial Statements for the year ended 31 March 2022 and the accompanying explanatory notes attached to the financial statements.*



# TIONG NAM LOGISTICS HOLDINGS BERHAD

Company No. 198901005177 (182485V)  
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## CONDENSED CONSOLIDATED STATEMENT OF OTHER COMPREHENSIVE INCOME FOR THE PERIOD ENDED 31 MARCH 2023 – UNAUDITED

	INDIVIDUAL 3 MONTHS ENDED 31 MARCH			CUMULATIVE 12 MONTHS ENDED 31 MARCH		
	2023 RM '000	2022 RM '000	CHANGES	2023 RM '000	2022 RM '000	CHANGES
Profit/(Loss) for the period	27,359	2,396	1,041.85%	30,181	6,291	379.74%
Currency translation differences arising from consolidation	220	130	69.60%	1,856	533	248.31%
Total comprehensive income/(loss)	27,579	2,526	991.81%	32,037	6,824	369.48%
Total comprehensive income/(loss) attributed to:						
Equity holders of the Company	27,317	2,471	1,007.25%	31,183	5,736	443.64%
Non-controlling interests	262	55	376.36%	854	1,088	-21.51%
Net profit/(loss) for the period	27,579	2,526	991.81%	32,037	6,824	369.48%

*The Condensed Consolidated Statement of Other Comprehensive Income should be read in conjunction with the Audited Financial Statements for the year ended 31 March 2022 and the accompanying explanatory notes attached to the financial statements.*



# TIONG NAM LOGISTICS HOLDINGS BERHAD

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## CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT 31 MARCH 2023 – UNAUDITED

	31 MARCH 2023 RM '000	31 MARCH 2022 RM '000
<b>Assets</b>		
Property, plant and equipment	967,788	808,802
Right-of-use assets	344,607	321,592
Investment properties	584,426	222,680
Investment in associates	75,727	80,980
Investment in a jointly controlled entity	49	-
Inventories	128,545	154,935
Deferred tax assets	18,298	12,276
Trade and other receivables	84,102	77,165
<b>Total non-current assets</b>	<b>2,203,541</b>	<b>1,678,430</b>
Inventories	134,411	125,712
Trade and other receivables	236,104	254,981
Current tax assets	11,722	3,523
Other Investments	16,271	30,222
Cash and cash equivalents	10,947	11,649
<b>Total current assets</b>	<b>409,454</b>	<b>426,087</b>
<b>Total assets</b>	<b>2,612,995</b>	<b>2,104,517</b>
<b>Equity</b>		
Share capital	200,236	200,236
Reserves	694,553	588,933
<b>Total equity attributable to equity holders of the Company</b>	<b>894,789</b>	<b>789,169</b>
<b>Non-controlling interests</b>	<b>11,221</b>	<b>10,151</b>
<b>Total equity</b>	<b>906,010</b>	<b>799,320</b>
<b>Liabilities</b>		
Lease liabilities	90,414	73,328
Deferred tax liabilities	103,967	78,134
Trade and other payables	24,733	-
Loans and borrowings	920,056	711,089
<b>Total non-current liabilities</b>	<b>1,139,170</b>	<b>862,551</b>
Lease liabilities	21,519	21,473
Trade and other payables	164,641	121,792
Loans and borrowings	373,978	298,504
Current tax liabilities	7,677	877
<b>Total current liabilities</b>	<b>567,815</b>	<b>442,646</b>
<b>Total liabilities</b>	<b>1,706,985</b>	<b>1,305,197</b>
<b>Total equity and liabilities</b>	<b>2,601,995</b>	<b>2,104,517</b>
Net Assets per share (RM)	1.74	1.54

*The Condensed Consolidated Statement of Financial Position should be read in conjunction with the Audited Financial Statements for the year ended 31 March 2022 and the accompanying explanatory notes attached to the interim financial statements.*



# TIONG NAM LOGISTICS HOLDINGS BERHAD

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## CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE PERIOD ENDED 31 MARCH 2023 – UNAUDITED

	Attributable to shareholders of the Company				Retained Profits	Total	Minority Interest	Total Equity
	Non-distributable		Distributable					
	Share Capital	Revaluation Reserves	Treasury Shares	Exchange Fluctuation Reserves				
	RM '000	RM '000	RM '000	RM '000	RM '000	RM '000	RM '000	
At 01 April 2022	200,236	166,993	(10,563)	446	432,057	789,169	10,151	799,320
Total comprehensive Income/(loss) for the period	-	-	-	1,856	29,327	31,183	854	32,037
Purchase of own shares	-	-	(2)	-	-	(2)	-	(2)
Capital Injection of subsidiaries	-	-	-	-	-	-	245	245
Disposal of subsidiaries	-	-	-	-	-	-	571	571
Revaluation of Properties, net of deferred tax	-	73,404	-	-	1,035	74,439	-	74,439
Dividend paid to minority interest	-	-	-	-	-	-	(600)	(600)
Dividends to owners of the Company	-	-	-	-	-	-	-	-
At 31 March 2023	200,236	240,397	(10,565)	2,302	462,419	894,789	11,221	906,010

*The Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the Audited Financial Statements for the year ended 31 March 2022 and the accompanying explanatory notes attached to the interim financial statements.*



# TIONG NAM LOGISTICS HOLDINGS BERHAD

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## CONDENSED CONSOLIDATED STATEMENT OF CASH FLOW FOR THE PERIOD ENDED 31 MARCH – UNAUDITED

	31 MARCH 2023 RM '000	31 MARCH 2022 RM '000
Cash flows from operating activities		
Profit / (loss) before tax	38,446	16,768
Adjustment for: -		
Goodwill written off	-	
Impairment loss / (Reversal of impairment loss) on trade receivable	(879)	865
Depreciation of PPE	32,729	34,665
Depreciation of right-of use assets	31,112	29,774
Interest expenses	45,466	39,046
Negative goodwill	-	(500)
Loss/ (Gain) on disposals of: -		
- quoted investments	(939)	(1,170)
- property, plant & equipment	-	(68)
Gain arising from deconsolidated of a subsidiary	-	(9,526)
Property, plant and equipment written off	-	502
Dilution of interest of subsidiary	-	
Share of (profit)/loss in associates	5,253	9,743
Fair value gain upon transfer from:		
-Inventories to investment properties	(7,580)	(1,152)
Interest income	(44)	(3,421)
Change in fair value of investment properties	(34,293)	(381)
Change in fair value of subsidiary	-	
Quoted investment		
- Fair value (gain) / loss	2,998	3,264
- Gross dividends	(292)	(329)
Operating profit before working capital change	<b>111,977</b>	<b>118,080</b>
Changes in working capital:		
Changes in inventories	(8,739)	(20,724)
Changes in trade and other receivables	12,819	(45,138)
Changes in trade and other payables	67,581	(7,370)
Cash generated from operations	<b>183,638</b>	<b>44,848</b>
Tax refunded/(paid)	10,147	(12,130)
Net cash from operating activities	<b>193,785</b>	<b>32,718</b>



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## CONDENSED CONSOLIDATED STATEMENT OF CASH FLOW FOR THE PERIOD ENDED 31 MARCH – UNAUDITED – CONTINUATION

	31 MARCH 2023 RM '000	31 MARCH 2022 RM '000
Cash flows from investing activities		
Acquisition of: -		
- property, plant and equipment	(107,757)	(66,921)
- right-of-use assets	(11,459)	(26,282)
- investment properties	(293,444)	(60,432)
- subsidiary	-	(6,221)
- minority interest – FV	545	-
Non-Controlling Interest acquired shares	271	-
Proceeds from disposal of:		
- quoted investments	12,309	13,214
- property, plant and equipment	-	296
Investment in		
- quoted shares	-	-
- quoted investments	(416)	(10,138)
- a joint venture	(49)	-
Effect of deconsolidation of a subsidiary	-	(425)
Interest received	44	3,421
Dividend received	292	329
Change in amounts due from an associate	-	54,354
Net cash used in investing activities	<b>(399,663)</b>	<b>(98,805)</b>
Cash flows from financing activities		
Drawdown of term loan	256,839	142,283
(Repayment of) / Proceeds from:		
- term loan	(36,342)	(51,931)
- finance lease liabilities	(15,277)	(14,835)
- short term borrowings	60,202	26,931
- Issue of share to non- controlling interest	-	300
Payment of lease liabilities	(25,536)	(23,572)
Purchase of own shares	-	-
Interest paid	(45,466)	(42,221)
(Increase) / decrease in pledged deposits with licensed bank	(791)	(321)
Dividend paid to shareholders of the Company	-	-
- Current year	-	(5,140)
Dividend paid to minority shareholders of Subsidiaries	(600)	(600)
Repurchase of treasury shares	(2)	(2)
Net cash from financing activities	<b>193,028</b>	<b>30,892</b>
Exchange differences on translation of the financial statements of foreign subsidiary	1,856	533
Net increase / (decrease) in cash and cash equivalents	<b>(10,994)</b>	<b>(34,662)</b>
Cash & cash equivalents at beginning of year	<b>(13,681)</b>	20,981
Cash & cash equivalents at end of year	<b>(24,675)</b>	<b>(13,681)</b>



## TIONG NAM LOGISTICS HOLDINGS BERHAD

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### CONDENSED CONSOLIDATED STATEMENT OF CASH FLOW FOR THE PERIOD ENDED 31 MARCH – UNAUDITED – CONTINUATION

	31 MARCH 2023 RM '000	31 MARCH 2022 RM '000
Cash and cash equivalents comprise:		
Cash and bank balances	8,748	10,241
Fixed deposits with licensed banks	2,199	1,408
Bank overdraft	(33,423)	(23,922)
	(22,476)	(12,273)
Less: Deposits pledged	(2,199)	(1,408)
	(24,675)	(13,681)

*The Condensed Consolidated Statement of Cash Flow should be read in conjunction with the Audited Financial Statements for the year ended 31 March 2022 and the accompanying explanatory notes attached to the interim financial statements.*



# TIONG NAM LOGISTICS HOLDINGS BERHAD

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## A NOTES TO THE INTERIM FINANCIAL REPORT

### A1 Basis of Preparation

This interim financial report has been prepared in accordance with the applicable disclosure provisions of the Listing Requirements of Bursa Malaysia Securities Berhad, including compliance with Malaysian Financial Reporting Standards (MFRS) 134 Interim Financial Reporting, issued by Malaysian Accounting Standard Board (MASB).

The interim financial statements should be read in conjunction with the Group's financial statement for the year ended 31 March 2022. This interim report contains condensed consolidated financial statements and selected explanatory notes. The notes include an explanation of events and transactions that are significant to an understanding of the changes in financial position and performance of the Group since the financial year 2018 annual financial statements.

### A2 Accounting Policies

The significant accounting policies, method of computation and basis of consolidation applied in the consolidated condensed interim financial statements are consistent with those of the audited financial statements for the financial year ended 31 March 2022.

### A3 Audit Opinion

The audit report of the Company and its subsidiaries for the preceding annual financial statements were not subject to any audit qualification.

### A4 Seasonality or Cyclicity of Interim Operations

The operations of the Group shall be affected during the festive season in the months of June, December and January where there are lesser working days in the said months.

### A5 Unusual Items Affecting Assets, Liabilities, Equity, Net Income or Cash Flows

There are no unusual items affecting assets, liabilities, equity, net income or cash flows for the current quarter ended 31 March 2023.

### A6 Material Changes in Estimates

There were no changes in estimates of amounts that have had material effect in the current quarter results.



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## A7 Issuance, Cancellation, Repurchase, Resale and Repayment of Debts and Equity Securities

There are no issuance, cancellation, repurchase, resale, and repayment of debts and equity securities for the financial period ended 31 March 2023 other than the following: -

- i) The Group repaid term loans of RM 11.1 million for the quarter ended 31 March 2023.
- ii) During the third quarter ended 31 March 2023, the Company does not purchase its issued ordinary shares from the open market. The Company held a total of 13,779,295 treasury shares as at 31 March 2023.

## A8 Dividend Paid

No dividend was paid in the quarter ended 31 March 2023.

## A9 Segmental Report

	As at 31 March 2023 RM '000	As at 31 March 2022 RM '000
<u>Assets Employed</u>		
Logistics & Warehousing Services	2,113,681	1,585,719
Investments	176,149	187,094
Property Development Projects	288,591	296,540
Dormitory	34,575	35,164
	<b>2,612,996</b>	<b>2,104,517</b>

	Individual 3 months ended 31 March		Cumulative 12 months ended 31 March	
	2023 RM '000	2022 RM '000	2023 RM '000	2022 RM '000
<u>Revenue</u>				
Logistics & Warehousing Services	174,752	170,662	708,202	675,606
Investments	1,069	2,144	3,417	2,443
Property development	9,189	2,818	15,551	6,083
Dormitory	(67)	1,182	162	5,693
	<b>184,943</b>	<b>176,806</b>	<b>727,332</b>	<b>689,825</b>



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## A9 Segmental Report (cont.)

	Individual 3 months ended 31 March									
	Logistics and warehousing services		Investment		Property development		Dormitory		Total	
	2023	2022	2023	2022	2023	2022	2023	2022	2023	2022
	RM '000	RM '000	RM '000	RM '000	RM '000	RM '000	RM '000	RM '000	RM '000	RM '000
Segment profit, profit before tax, interest, depreciation and amortisation	57,643	30,435	2,259	(3,083)	1,427	1,061	(492)	(424)	60,837	27,989
Depreciation and amortisation	(16,598)	(14,975)	-	-	(17)	(7)	(322)	(577)	(16,937)	(15,559)
Interest Income	17	923	-	-	9	186	-	-	26	1,109
Finance costs	(10,390)	(4,921)	-	-	(2,124)	(1,518)	(436)	(732)	(12,950)	(7,171)
Gain arising from deconsolidation of a subsidiary	-	-	-	-	-	5,752	-	3,774	-	9,526
Share of profit of associates	-	-	(2,178)	(8,699)	-	-	-	-	(2,178)	(8,699)
Share of profit of joint venture	-	-	(2)	-	-	-	-	-	(2)	-
<b>Profit before tax</b>	<b>30,672</b>	<b>11,462</b>	<b>79</b>	<b>(11,782)</b>	<b>(705)</b>	<b>5,474</b>	<b>(1,250)</b>	<b>2,041</b>	<b>28,796</b>	<b>7,195</b>



# TIONG NAM LOGISTICS HOLDINGS BERHAD

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## A9 Segmental Report (cont.)

	Cumulative 12 months ended 31 March									
	Logistics and warehousing services		Investment		Property development		Dormitory		Total	
	2023	2022	2023	2022	2023	2022	2023	2022	2023	2022
	RM '000	RM '000	RM '000	RM '000	RM '000	RM '000	RM '000	RM '000	RM '000	RM '000
Segment profit, profit before tax, interest, depreciation and amortisation	140,152	119,846	1,358	349	11,956	(477)	(678)	(555)	152,788	119,163
Depreciation and amortisation	(62,570)	(60,086)	-	-	(69)	(428)	(1,222)	(3,925)	(63,861)	(64,439)
Interest Income	14	1,062	-	-	30	245	-	-	44	1,307
Finance costs	(36,365)	(24,500)	-	-	(7,425)	(7,122)	(1,676)	(7,424)	(45,466)	(39,046)
Gain arising from deconsolidation of a subsidiary	-	-	-	-	-	(5,752)	-	3,774	-	9,526
Share of profit of associates	-	-	(5,057)	(9,743)	-	-	-	-	(5,057)	(9,743)
Share of profit of joint venture	-	-	(2)	-	-	-	-	-	(2)	-
<b>Profit before tax</b>	<b>41,231</b>	<b>36,322</b>	<b>(3,701)</b>	<b>(9,394)</b>	<b>4,492</b>	<b>(2,030)</b>	<b>(3,576)</b>	<b>(8,130)</b>	<b>38,446</b>	<b>16,768</b>



## TIONG NAM LOGISTICS HOLDINGS BERHAD

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### A10 Valuation of Property, Plant & Equipment

Under MFRS140, investment properties were measured at fair value. All the land and buildings were revalued in March 2021 and investment properties were revalued in March 2023 by an independent professional valuer based on open market basis using comparison method and cost method. Trucks, trailers and machineries and equipment are stated at cost less accumulated depreciation.

### A11 Significant Events and Transactions

There are no material events subsequent to the end of the period that have not been reflected in this quarterly report.

### A12 Changes in the Composition of the Group

There were no changes in composition of the Group during the current quarter and financial period-to-date.

### A13 Contingent Liabilities and Contingent Assets

There are no changes in contingent liabilities and contingent assets since the last annual balance sheet date.

### A14 Capital Commitments

As at the end of the reporting quarter, the Group has approved and contracted for capital commitments of RM 59.0 million in respect of property, plant and equipment.



## TIONG NAM LOGISTICS HOLDINGS BERHAD

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### B ADDITIONAL INFORMATION IN THE INTERIM FINANCIAL REPORT REQUIRED BY BURSA MALAYSIA SECURITIES BERHAD'S LISTING REQUIREMENTS

#### B1 Review of Performance of the Group

Revenue for the current quarter has increased by 4.6% to RM 184.9 million as compared to RM 176.8 million for the preceding year corresponding quarter.

Revenue for Logistics and Warehousing Services has increased by 2.4% to RM 174.8 million as compared to RM 170.7 million for the preceding year corresponding quarter. This increase is due to securing new total logistics customers as well as business expansion from our existing customers.

Property Development revenue has increased by 228.6% to RM 9.2 million compared to RM 2.8 million for the preceding year corresponding quarter.

Revenue for dormitory has decreased by 105.8% to negative revenue RM 0.07 million as compared to RM 1.2 million for the preceding year corresponding quarter. This is due to revenue reversal from previous quarter.

The Group posted a pre-tax profit of RM 38.5 million for the current quarter as compared to the pre-tax of RM 16.8 million for the preceding year corresponding quarter.

#### B2 Variation of Results Against the Preceding Quarter

Revenue for the current quarter is flat as RM 184.9 million as compared to RM 187.5 million for the preceding quarter.

Revenue for Logistics and Warehousing Services has decreased by 5.7% to RM 174.8 million as compared to RM 185.4 million for the preceding quarter.

Property Development revenue has increase by 630.8% to RM 9.2 million as compared to RM 1.3 million for the preceding quarter.

Revenue for dormitory is flat at negative RM 0.07 million as compared to negative RM 0.03 million for the preceding quarter. This is due to revenue reversal.

The Group posted a pre-tax profit of RM 38.5 million compared to the pre-tax profit of RM 1.9 million for the preceding quarter.



# TIONG NAM LOGISTICS HOLDINGS BERHAD

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## B3 Current Year Prospects

Tiong Nam is optimistic of achieving resilient performance in its integrated logistics and warehousing services business for the financial year ending 31 March 2024 (FY2024).

This positive outlook is supported by Malaysia's projected post-Covid economic recovery, with a growth rate of 4.0% - 5.0% in 2023, driven by strong economic fundamentals and implementation of Budget 2023 measures.

Despite global uncertainties, including inflation and higher interest rates, the Group is committed to prudently managing resources to mitigate higher operating and finance costs.

Tiong Nam's strategic focus includes maintaining market share, enhancing efficiency, implementing cost control measures, and fostering service innovation in its integrated logistics and warehousing services business.

The Group is committed to reinforcing its position as a leading total logistics solutions provider in Southeast Asia, supporting efficient supply chains of domestic and multinational enterprises.

Furthermore, Tiong Nam is expected to benefit from the proposed development of a 300-acre high-tech logistics industrial park in Sedenak Technology Valley, Johor. The Group has a preliminary collaboration agreement with JLand Group Sdn Bhd to undertake the proposed development, and expects to enter into a formal joint venture agreement in the near future.

The Group anticipates its property development and dormitory segments to experience operating losses in FY2024.

## B4 Profit Forecast

Not applicable.

## B5 Tax Expense

	Individual 3 months ended 31 March		Cumulative 12 months ended 31 March	
	2023 RM '000	2022 RM '000	2023 RM '000	2022 RM '000
Income Tax	163	1,941	7,955	7,929
Deferred Taxation	1,274	2,858	310	2,548
	<b>1,437</b>	<b>4,799</b>	<b>8,265</b>	<b>10,477</b>

The Group's effective tax rate for individual 3 months and cumulative 12 months were higher than the statutory tax rate due to certain expenses which was non-deductible.



## TIONG NAM LOGISTICS HOLDINGS BERHAD

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### B6 Profit / (Loss) on Sale on Unquoted Investments

There was no disposal of unquoted investments for the current quarter and financial period to date.

### B7 Status of Corporate Proposals

There are no corporate proposals pending completion as at 31 March 2023.

### B8 Group Borrowings and Debt Securities

Borrowings in Malaysian Ringgit

	31 March 2023 RM '000	31 March 2022 RM '000
Non-current		
Secured		
- Hire purchase liabilities	17,013	20,641
- Term loans	903,043	690,448
	920,056	711,089
Current		
Secured		
- Hire purchase liabilities	12,044	14,174
- Term loans	49,091	41,190
	61,135	55,364
Unsecured		
- Revolving credits	168,811	156,000
- Bankers' acceptances	110,609	63,218
- Bank overdrafts	33,423	23,922
	312,843	243,140
	373,978	298,504
Total borrowings	1,294,034	1,009,593

### B9 Off Balance Sheet Financial Instruments

There was no financial instrument with off balance sheet risk at the date of this report.



## TIONG NAM LOGISTICS HOLDINGS BERHAD

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### B10 Material Litigation

(a) Terminal Perintis Sdn Bhd vs TNH Maju Sdn Bhd (f.k.a. Tan Ngee Hong Construction Sdn Bhd)

On 26 March 2014, Terminal Perintis Sdn Bhd (“TPSB”) awarded to Tan Ngee Hong Construction Sdn Bhd. (“Contractor”) a contract and the parties have entered into a PAM Contract 2006 (“Contract”) dated 23 December 2014 for Proposed Mixed Commercial Strata Development of 1 block of 22 storey Service Apartment, 1 block of 22 storey Hotel, 5 storey Podium and Carpark inclusive of 2 storey basement, 19 lots retail space, management office, refuse chamber, 1 unit Stesen Suis Utama (SSU) and 1 unit Guard House for the development of the Pinetree Marina Resort at Johor Bahru, Johor Darul Ta’zim.

Malayan Banking Berhad (“MBB”) has agreed to guarantee the due performance of the Project by the Contractor via bank guarantee for Performance Bond No. 99080BGP6052351 dated 28 August 2014 (“BG”).

On 4 August 2015, the Architect issued a notice of default to the Contractor, pursuant to Clause 25 of the Contract inter alia on the basis that the Contractor had failed to proceed regularly and diligently with the works and hence a delay in the progress of the works by 288 days.

On 18 August 2015, TPSB exercised its rights pursuant to clause 25 of the Contract to determine the employment of the Contractor under the Contract between TPSB and the Contractor.

Subsequently, TPSB served a letter of demand to MBB requesting the release of payment amounting to RM 15,738,100.00 pursuant to the BG.

MBB has on 25 September 2015 remitted the said amount to TPSB.

On 1 October 2015, the Contractor serves TPSB an Originating Summons No. 24NCvC-613-09/2015 dated 1 October 2015 together with a sealed copy of the Ex Parte Order dated 27 September 2015 by the Contractor through its solicitors, Messrs. Tan Swee Im, P.Y. Hoh & Tai to order TPSB to either pay back the sum received to MBB, or place the sum received on trust and in favour of the Contractor until further notice from the Court.

On 28 January 2016, the High Court dismissed Contractor’s application and set-aside the Ex Parte Order dated 27 September 2015 with costs of RM 8,000 to TPSB.

On 22 April 2016, the Contractor filed its point of claim against TPSB to Arbitration amounting to RM 56,897,448.58, which among other includes request to refund RM 15,738,100 on the above-mentioned BG.

TPSB has filed in its Defence and Counterclaim amounting to RM 82,883,326.60 being costs and expenses incurred by TPSB due to the substantial delay caused by the Contractor, in accordance with the terms and conditions of the Contract.

The initial hearing dates are on 4 Jan 2017 to 6 Jan 2017, 9 Jan 2017 to 13 Jan 2017, 16 Jan 2017 and 17 Jan 2017. This hearing date has been further postponed to 24 October 2017, 27 October 2017, 30-31 October 2017, 1-2 November 2017 and 27-30 November 2017.

Both TPSB and Contractor have agreed to defer the exchange of witness statement and to vacate all hearing dates fixed earlier. The new hearing date shall be determined and fixed later.



## TIONG NAM LOGISTICS HOLDINGS BERHAD

Company No. 198901005177 (182485V)  
(Incorporated in Malaysia)

### B10 Material Litigation (cont.)

Arbitration proceeding are presently stopped as the Contractor is in liquidation and there is no update from the Liquidator whether to proceed the Arbitration. There is no hearing date fixed by both TPSB and the Contractor.

### B11 Dividends

The Board of Directors did not recommend the payment of dividend for the current quarter ended 31 March 2023.

### B12 Earnings Per Share

The number of ordinary shares used in the computation of EPS.

	Individual 3 months ended 31 March		Cumulative 12 months ended 31 March	
	2023 '000	2022 '000	2023 '000	2022 '000
Basic	514,046	514,048	514,046	514,048
Diluted earnings per share	514,046	514,048	514,046	514,048



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## B13 Notes to Statements of Comprehensive Income

	INDIVIDUAL 3 MONTHS ENDED 31 MARCH		CUMULATIVE 12 MONTHS ENDED 31 MARCH	
	2023 RM '000	2022 RM '000	2023 RM '000	2022 RM '000
Net profit for the period is arrived at after charging / (crediting)				
Audit fees	130	4	549	415
Depreciation of: -				
- Property, Plant & Equipment	7,827	8,461	32,729	34,665
- Right-of-use Assets	9,090	7,098	31,112	29,774
Amortisation of prepaid leases payments	-	2	-	-
Contributions to Employees Provident Fund	2,763	2,477	9,175	8,677
Wages, salaries and others	31,562	25,097	128,059	110,075
Property, plant and equipment written off	-	502	-	502
Gain arising from deconsolidation of a subsidiary	-	-	-	(9,526)
(Gain)/loss on disposal of: -				
- quoted investments	(701)	(62)	(939)	(1,170)
- property, plant and equipment	(10)	81	(92)	(68)
Change in fair value of investment properties	(34,293)	771	(34,293)	(381)
Net foreign exchange (gain) / loss	1	5	(525)	(138)
Negative goodwill	-	-	-	(500)
Quoted investments:				
- fair value (gain) / loss	(489)	(203)	2,998	3,264
- gross dividends	(141)	(299)	(292)	-
Fair value gain upon transfer from inventories to investment properties	-	-	(7,580)	(1,152)
Interest income	(26)	(198)	(44)	(1,307)
Expenses relating to short-term leases	17,476	16,869	60,967	54,231
Impairment loss / (gain) on:				
- Trade receivables	291	(6,521)	(879)	865
- Inventories	2,486	-	2,486	-